



INNOVATION > The five innovation sectors

The five innovation sectors



Five key sectors have been chosen for initial investigation and focus by the Innovation Unit. These sectors have been selected as a result of [Dr Jonathan West's paper](#).

Find out more about these sectors, the drivers of innovation relevant to each of them and how the Innovation Unit is addressing innovation opportunities:

- [Financial Services](#)
- [Creative Industry](#)
- [Manufacturing](#)
- [Logistics](#)
- [Resources \(coal\)](#)

WHAT ARE THE DRIVERS OF INNOVATION IN THESE SECTORS?

Profit related drivers

- ***Customer demands:*** the drive to meet consumer expectations are common drivers of innovation. Companies increasingly need to respond to consumer buying decisions influenced by such factors as fashion, convenience, indulgence, functionality and 'conscientious consumerism'.
- ***Competition:*** the need to differentiate one's product or service from the competition often results in process, product, packaging and/or supply chain innovations.
- ***Research and development:*** a stable and well-funded base for building knowledge and capabilities, which in turn results in the development of new, more advanced and more profitable services and products. The ability of manufacturers to access research and technological developments is crucial to driving innovation, as is the dissemination of enabling technologies that support production flexibility.
- ***Enabling and platform technologies:*** major advances in enabling and platform technologies have opened up opportunities for new products and services, and operational efficiencies.

Market related drivers

- ***Major projects:*** the awarding of major projects to companies in NSW attracts new investment and drives innovation by suppliers and contractors.
- ***Investment attraction:*** attracting global companies that bring new technologies and innovative labour skills.
- ***Globalisation:*** results in increased levels of competition, the aim for best practice and brings foreign business to Australian markets. All of these elements have a flow-through effect on the development of systems, practices and products.
- ***Industry trends:*** trends which occur in a local market or globally, have a significant impact on how business is carried out and how businesses plan for the future.

Legal drivers

- ***Regulations*** – these drivers can take the form of environmental, security and safety regulations, amongst others. For example, across sectors, the regulations associated with occupational health and safety issues have led to innovations which have improved safety in workplaces.

¹ Professor Jonathan West, *A Strategy to Accelerate Innovation in NSW Outline for Policy Development (2006)*

² SAHA International, Freight and Logistics Council of NSW: Path to Innovation: Innovation in the NSW Freight Logistics Industry, January 2008.

For more information

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